



MAGIC VALLEY

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA, & TWIN FALLS COUNTIES

EMPLOYMENT TRENDS

The Magic Valley Labor Market Area's seasonally adjusted unemployment rate for July 2002 was 3.7 percent. This is unchanged from June 2002, but three tenths of a percentage point lower than July 2001. *Civilian Labor Force* was somewhat lower than a year ago (390), but the number of unemployed workers was significantly lower also, accounting for the very low unemployment rate.

Nonfarm Payroll Jobs is showing very flat growth for the second straight month and this is indicative of a cooling in the local economy after an extremely strong first quarter. Effects of state budget cutbacks are evident in the areas of *Government-Education* and *Government-Administration* that have a reduction of 2.3 percent and 3.6 percent, respectively, from July 2001. For the first time this year the *Services* sector showed a decrease rather than a gain. The sector experiencing the largest growth was *Manufacturing-Durable Goods* with a 12.9 percent increase year-over-year.

The Magic Valley economy is still very healthy. The unemployment rate is one of the lowest in the state and many different types of jobs are plentiful. Dell Computers continues to hire and WOW Logistics in Jerome will soon be hiring. As students return to school, there are many openings in fast food businesses and other sectors typically staffed by students. Job growth has flattened, but it seems to be merely a pause after tremendous first quarter growth rather than an indication of economic malaise. There is still a lot of uncertainty about the national economy and Wall Street continues to struggle with a very volatile market. The outlook for the Magic Valley economy is more of the same, with an expectation that unemployment will remain low and job growth will stay flat through the third quarter of 2002.

SPECIAL TOPIC

Governor Announced Grant for Simplot Workers

At an economic outlook dinner in Burley on August 16, Idaho Governor

Magic Valley Table 1: Labor Force & Employment
Twin Falls, Jerome, and Gooding Counties

	July 2002*	June 2002	July 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	49,410	49,800	49,650	-0.8	-0.5
Unemployment	1,850	1,850	2,010	0.0	-8.0
% of Labor Force Unemployed	3.7	3.7	4.0		
Total Employment	47,560	47,950	47,640	-0.8	-0.2
Unadjusted					
Civilian Labor Force	50,720	50,630	50,940	0.2	-0.4
Unemployment	1,770	1,730	1,900	2.3	-6.8
% of Labor Force Unemployed	3.5	3.4	3.7		
Total Employment	48,950	48,900	49,040	0.1	-0.2
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	39,180	39,340	39,260	-0.4	-0.2
Goods-Producing Industries	7,430	7,140	7,340	4.1	1.2
Mining & Construction	2,120	2,080	2,090	1.9	1.4
Manufacturing	5,310	5,060	5,250	4.9	1.1
Durable Goods	960	900	850	6.7	12.9
Nondurable Goods	4,350	4,160	4,400	4.6	-1.1
Food Processing	3,340	3,140	3,390	6.4	-1.5
All Other Nondurable Goods	1,010	1,020	1,010	-1.0	0.0
Service-Producing Industries	31,750	32,200	31,920	-1.4	-0.5
Transportation, Comm., & Utilities	2,560	2,610	2,570	-1.9	-0.4
Wholesale Trade	2,430	2,380	2,290	2.1	6.1
Retail Trade	8,170	8,140	8,240	0.4	-0.8
Finance, Insurance, & Real Estate	1,340	1,310	1,360	2.3	-1.5
Services	10,450	10,350	10,460	1.0	-0.1
Government Administration	3,830	3,930	3,920	-2.5	-2.3
Government Education	2,970	3,480	3,080	-14.7	-3.6

*Preliminary Estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Dirk Kempthorne announced that in response to the state's request, the U. S. Department of Labor has awarded Idaho a \$4.9 million grant to help workers displaced by the recently announced closure of the Simplot Company's Heyburn plant. The Workforce Investment Act National Emergency Grant is the largest ever awarded in Idaho. This announcement was the culmination of months of work by the Rapid Response team that consisted of representatives from the Idaho Department of Labor, South Central Idaho Works Board, Region IV Development Association, and the College of South Idaho.

The Workforce Investment Act grant includes provisions to offer retraining and reemployment services to the Heyburn plant's employees, as well as to other workers in the community who are affected by the plant's closure. Types of assistance include tuition, day care, and tool and equipment purchases. The Governor also announced that Trade Act petitions for the Heyburn plant have been certified by the U.S. Department of Labor. This will allow the Idaho Department of Labor to provide a full array of

employment and training services to workers affected by the Heyburn closure. Under the Trade Act programs, unemployment insurance payments can be extended for up to an additional 26 weeks. For those in retraining programs, payments can be extended an additional 52 weeks. The Mini-Cassia Job Service has begun job skills and job hunting workshops at the Heyburn plant. Workers from all three shifts signed up for the initial workshops. The College of Southern Idaho soon will be providing GED and English as Second Language courses at the Heyburn plant.

AREA DEVELOPMENTS

Twin Falls County

- Snake River Pool & Spa recently celebrated the grand opening of its new 4,500-square-foot show room and customer service center located near its old location on Blue Lakes Boulevard North. For 20 years, Snake River Pool & Spa operated from a converted house with 1,200-square feet upstairs and 1,000-square feet downstairs. Also, Papa John's Pizza moved into an extra 1,500-square-foot area of the new Snake River Pool & Spa building and recently began operations.

Blaine, Camas, Jerome, Gooding, and Lincoln Counties

- Davisco Foods International, Inc., doing business as Jerome Cheese Co., has filed for judicial review and declaratory relief against Gooding County in Fifth District Court. Jerome Cheese contends the county is in violation of state and federal due process. In its complaint, Jerome Cheese said that the Gooding County Commission overturned a decision by the Gooding County Planning and Zoning Commission giving it a special use permit for a reclaimed water project. The project would have allowed Jerome Cheese to pump effluent water to Gooding County for processing. The company indicates that it uses over one million gallons of water per day and that the Gooding County Commissioners have caused actual harm to the company's business by its actions.
- Bechtel BWXT Idaho, LLC awarded a \$10,000 grant to the Jerome Chamber of Commerce for economic development. The grant reflects Bechtel BWXT's continuing commitment to, and recognition of, economic development in the Jerome area. The recent recruitment and expansion of businesses in the area prompted the continued support of local efforts. The \$10,000 grant will be used by the Chamber to fund one third of the Jerome economic development specialist Bob Richards' part-time contract.
- Southern Idaho Regional Communications Center (SIRCOMM) recently announced that Ron Vogt is the new director for the 911 center. Mr. Vogt had previously been the commander for the Ada County emergency dispatch center for 12 years, but left on

June 7 of this year. He began his new job immediately.

- The cities of Jerome and Hagerman were recently awarded \$420,000 in economic development grants. These grants were part of \$1.6 million in grants statewide recently announced by Governor Dirk Kempthorne. The city of Jerome received \$199,000 in federal funds to build sewer and water loops to serve WOW Logistic's new distribution warehouse. WOW's \$6.4 million facility will employ at least 20 people and new industrial sites will be developed allowing the city to meet its economic development objectives. The city of Hagerman received \$220,000 to help improve the downtown area and expand a local grocery store, creating 15 new jobs. The city will demolish hazardous buildings and will build a public parking lot that will accommodate RV parking.

Cassia and Minidoka Counties

- The Cassia County School District accepted an offer from the College of Southern Idaho for a paid instructor to teach electronics at the Cassia Regional Technical Center in Burley. The Cassia Regional Technical Center had eliminated its electronics program last spring affecting about 20 students. The revival of the high school level electronics program will allow students the option of continuing their electronics training at the College of Southern Idaho (CSI). CSI will pay for the instructor and the Cassia School District will provide a location for the classroom and materials. The cost to the school district is expected to be about \$2,000.
- Governor Dirk Kempthorne spoke at a gathering of nearly 200 government and business leaders and announced a \$4.9 million grant. The Governor was joined by Idaho Department of Labor Director Roger Madsen and Idaho Department of Commerce Director Gary Mahn. All three participated in a question and answer session after the Governor's remarks. The Governor and legislative leaders toured the Mini-Cassia Job Service, then spoke to workers at the Simplot plant. Also speaking were three previously displaced workers that had successfully transitioned into new jobs with the assistance of the Workforce Investment Act. These speakers helped workers understand that there are options for retraining. Idaho legislators on hand at the event included Idaho House Speaker Bruce Newcombe (R-Burley), Senator Dean Cameron (R-Rupert), Representative Maxine Bell (R-Jerome), and Representative Bert Stevensen (R-Rupert).

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